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## ***CARDIN APPLAUDS SENATE PASSAGE OF BILL TO AID SMALL BUSINESS JOB CREATION***

*Legislation Includes Several Cardin-sponsored Measures*

WASHINGTON – **U.S. Senator Benjamin L. Cardin** (D-MD) today praised Senate passage of legislation that “will help small business owners obtain affordable credit and expand their entrepreneurial opportunities so they can succeed in a difficult economy.”

**The Small Business Jobs Act of 2010** includes a Cardin amendment to require federal contracting officials to complete small business training before receiving certification, and another to require federal agencies to report directly to Congress on contracting with veteran-owned, women-owned, and disadvantaged small businesses. The Senator also co-sponsored several provisions of the bill, including an extension of higher limits on the Small Businesses Administration’s (SBA) loan programs, improvements to the SBA trade and export finance programs, and reforms to federal contracting laws to level the playing field for small businesses.

*“Over the last several years, I have met with creditworthy business owners across Maryland who have asked me to help them secure credit and expand their business opportunities,” said **Senator Cardin**, a member of the Small Business and Entrepreneurship Committee. “This bill takes important steps to help small businesses thrive and hire. It also makes meaningful reforms in the federal contracting process to curb bundling and enable small businesses to compete more successfully.”*

The **Small Business Jobs Act of 2010** will:

- Gives small businesses **\$12 billion in tax cuts**
- Helps small businesses create **500,000 new jobs**
- Incentivizes and **increases small business lending**
- **Helps small business owners access private capital** to finance an expansion and hire new workers
- **Rewards entrepreneurs** for investing in new small businesses
- **Helps Main Street** businesses compete with large corporations

## **Helps Small Businesses Access Capital**

- Incentivizes investors by giving 100% exclusion from capital gains taxes on small business investments.
- Creates a targeted \$30 billion Small Business Lending Fund to provide small community banks with capital to increase small business lending.
- Gives \$1.5 billion in grants to support \$15 billion in new small business lending through already successful state programs.
- Reduces the tax burden for small businesses by allowing them to carry back general business tax credits to offset their tax burdens from the previous five years. Small businesses will also be able to count the general business credits against the Alternative Minimum Tax (AMT), freeing up capital for expansion and job growth.
- Increases Small Business Administration (SBA) loan limits and improves access and lowers costs for small business to access SBA loans.

## **Increases Small Businesses' Ability to Make Investments**

- Increases Section 179 expensing – permitting up to \$500,000 in capital investments that businesses can expense.
- Extends Bonus Depreciation – allowing taxpayers to immediately write off 50 percent of the cost of new equipment.

## **Promotes Entrepreneurship**

- Increases to \$10,000 the tax deduction for start-up expenditures – doubling the current levels.
- Creates new tools to help small businesses export goods, which will leverage more than \$1 billion in exports.
- Establishes a new State Export Promotion Grant Program (STEP), which would increase the number of small businesses that export goods to other countries.

## **Promotes Fairness in Competition**

- Improves tax fairness by preventing small businesses from incurring large tax penalties aimed at large corporations and wealthy individuals investing in tax shelters.
- Improves small business contracting by clarifying that no single contracting program receives priority over another program when competing for federal contracts.
- Allows self-employed individuals to deduct health insurance costs for purposes of paying the self-employment tax.

A detailed summary of provisions included in the Small Business Jobs Act can be found on the Finance Committee website at:

<http://finance.senate.gov/legislation/details/?id=da799068-5056-a032-5229-92cebbd2b7a0>.

